

# INFORMATION LETTER

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Publication

NATIONAL CANNERS ASSOCIATION

For Members  
Only

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## Research To Determine Effect Of Chemicals on Flavor Urged

Research to determine the physiological effect of chemicals applied as insecticides and fungicides on the flavor of fruits and vegetables after processing and storage was proposed this week by Dr. Charles H. Mahoney, Director of the N.C.A. Raw Products Research Bureau.

Such research would develop data which, he said, would be acceptable to consumers, entomologists, chemical manufacturers, and food processors. The food industry already has studied the outline of how such a research program would be conducted.

Speaking at the annual convention of the Agricultural Chemicals Association on September 5, Dr. Mahoney declared that the chemical manufacturers are as much concerned about the problem as are the processors. He urged the chemical manufacturers to give the program financial support.

Dr. Mahoney reported that a research program initiated this season by the California Experiment Station might provide a starting point toward obtaining the desired information. Following an industry meeting in San Francisco June 4, a steering committee representative of the canners on the West Coast was formed to provide technical guidance to the University of California. Financial support has likewise been given by canners to the University of California in order to get this work started.

(Please turn to page 320)

## USES Opens Reception Centers, Lists Charges for Mexicans

Rules governing charges to employers of Mexican nationals were issued this week by the United States Employment Service, administering the farm labor supply program.

USES also announced location of five centers at which employers may recruit Mexican workers.

Reception Centers have been opened at Calexico, Calif., Eagle Pass, Tex., and Harlingen, Tex. Centers at El Paso, Tex., and Nogales, Ariz., will be opened soon. (Please turn to page 320)

## N.C.A. Seeks Immediate Relief For Canners under CPR 55 and 56

The N.C.A. is continuing its efforts to obtain immediate relief for canners suffering hardships arising from the provisions of CPR 55 and CPR 56, the vegetable and fruit pricing regulations.

A meeting has been scheduled with Price Stabilizer Michael V. DiSalle Monday, September 10, at which the Chairman of the N.C.A. War Mobilization Committee, Howard T. Cumming, and a subcommittee of that group again will bring to the attention of OPS the hardships and inequities resulting from these orders.

## Administration Proposes Amendment to Defense Act

The Senate Committee on Banking and Currency, in response to Administration recommendation for repeal of the Capehart Amendment to the Defense Production Act, held a public hearing on August 30. Defense Mobilization Director Charles Wilson and Director of Price Stabilization Michael V. DiSalle appeared before the committee on that date. As a result of their appearance and in response to the request of the committee, the Director of Defense Mobilization submitted a proposed substitute for the Capehart Amendment. This proposal was introduced in the Senate the following day by Chairman Maybank as S. 2092. (The text of the Capehart Amendment was reproduced in page 286 of the INFORMATION LETTER of August 4, 1951.)

The Senate Banking Committee will decide at an executive session on Monday, September 10, whether it will hold hearings on S. 2092 or what disposition it will make of the recommendations of the Administration.

Despite its designation as a "clarifying" amendment, it is apparent from the text of S. 2092 that the bill goes considerably beyond the effectuation of mere editorial changes. The first sentence has been amended by additional language to eliminate any possibility that the original Capehart amendment could be construed to apply to sales by other than manufacturers or processors. The substitution of the phrase "ceiling price regulation" for the term "ceiling price" in

(Please turn to page 321)

The difficulties of pricing under CPR 55 and CPR 56 became apparent on a widespread basis when canners in many sections of the country began to calculate individual ceiling prices to comply with the mandatory effective date of September 1.

The N.C.A. last weekend and since has been urging strongly that because of these difficulties it would be fair on the part of OPS to postpone the effective dates.

It has been pointed out by N.C.A. that OPS has extended the effective dates of CPR 22 and other manufacturers regulations while studying the Capehart amendment, and that by continuing CPR 55 and 56 in effect, OPS is discriminating against food processors seeking pricing relief.

Requests for extension of the effective dates are generally prevalent and were urged at special meetings of the Wisconsin, Indiana, California, New York, and Tri-State associations. Telegrams of protest were sent to OPS by other state and regional associations and by many individual canners.

## NPA Preparing Amendment On Intent of M-25

The National Production Authority is preparing an amendment to the can order, M-25, to make it clear in Section 6 that a base year—either 1949 or 1950—may be selected for each product. NPA has advised N.C.A. that the amendment will be issued soon.

## MANPOWER

### Off-Duty Military Personnel

Implementing the Department of Defense's policy directive authorizing military personnel to engage in part-time work while off-duty or on leave, the Labor Department has issued procedures to be followed in arranging for such employment.

Both the Defense Department and Labor Department authorize employment of off-duty military personnel in canning, under specified conditions (see INFORMATION LETTER of August 25, page 305). Canners may recruit at local offices of the United States Employment Service.

### Farm Labor Supply Program

(Concluded from page 319)

Following is the text of the notice to employers on charges for Mexican workers:

**Cost to Employers for Mexican Workers under Public Law 78, 82nd Congress**

For the information of employers desiring to import Mexican workers, in accordance with Public Law 78, the following is a schedule of charges to the employer:

**Contracting of Workers at Reception Centers:** For workers contracted at Reception Centers along the border, the charge to employers will be \$15 per worker.

In order to secure an adequate supply of labor from Mexico, it will be necessary to recruit considerable numbers of men, and pay transportation and subsistence from points deep in the interior of Mexico. The cost of transportation and subsistence for these workers will exceed \$15. The cost from some of the points closer to the border will be less than \$15. In order to keep the revolving fund provided by the Congress solvent, and as a matter of equity, all farmers using Mexican labor will bear part of the average cost of transporting workers from Mexico to Reception Centers and return to Mexico.

**Recontracting Workers to Other Employers:** The charge for workers who are recontracted under the 1951 agreement to other employers will be \$15 per worker.

On the basis of the best cost figures available for transportation and subsistence, it will be necessary to secure the recontracting cost for a considerable number of workers, to help defray the initial expense of transportation and subsistence from Mexico. The charge of \$15 will be made for all workers recontracted on or after July 15, 1951.

**Extension of Contracts; Workers Contracted on or after July 15, 1951:** Any employer whose work contracts were entered into on or after July 15, 1951, will not be required to pay the \$15 reimbursement charge for each worker if he has already paid this charge at the time he contracted the worker. Those employers who contracted for workers on or after July 15, 1951, but who have not paid the \$15 charge will be required to reimburse the Government in the amount of \$15.

**Worker Contracts Extended on Expiration Contracts Governed by 1949 Agreement:** Contracts entered into under the 1949 agreement cannot be extended because the 1949 agreement has been terminated. An employer may recontract to continue the use of such workers in accordance with the terms of the 1951 agreement. An employer contracting for the continued use of workers brought in under the 1949 agreement will be required to pay the \$15 reimbursement charge; however, such employer will be allowed a credit of \$7.50 for expenses previously incurred by him for transportation and subsistence in connection with the original contract.

Employers who recontract to continue the use of workers contracted under the 1949 agreement will be relieved of responsibility for transportation and subsistence in returning such workers from the reception center in the United States to the appropriate migratory station in Mexico. Such employers must return the workers to the appropriate reception center at the termination of the new contract period.

### Effect of Chemicals

(Concluded from page 319)

Dr. Mahoney suggested that because the problem of how chemicals affect flavor deals basically with agricultural crops, the logical groups to carry out research in that field would be the departments of entomology, plant pathology, food technology, and horticulture—thoroughly coordinated—at a land-grant college where adequate research facilities would be available. The canning industry, he said, believes that this would be the best organization for such a project. The industry would furnish experienced, trained and selected personnel to cooperate with these institutions in helping make final flavor evaluations so that the results, when released, would not only have been formulated by an unbiased agency but would be reinforced by practical experience in flavor-testing furnished by the canning industry.

## PUBLICITY

### Everywoman's Magazine

"Canned junior foods handy on the kitchen shelf will make quick, nutritious lunches for your pre-school child, your first or second grader, and even you, Mother," says Marion McGill in the subtitle of her article "Lunch On Schedule" in the September *Everywoman's* magazine.

In the article, she said:

"No longer need it mean extra preparation or special dishes. Just pull several cans or jars of junior foods off the shelf and you'll have lunch for three very soon. These fully cooked and chopped meats and vegetables are all ready to add to croquettes, meat patties, souffles, or for extra heartiness in canned soups. The chopped fruits served plain or thickened with egg, cornstarch or quick cooking tapioca make delicious desserts, as do the prepared puddings when combined with fruits or thinned with a little milk for sauces. Handy foods to make luncheon preparation easy and ready on schedule when school's out."

Menu suggestions and recipes for using junior canned foods were given in the article.

### Country Gentleman Magazine

In the September issue of *Country Gentleman* magazine, the article "Easy Lunch-Box Meals" states in the subtitle, "Avoid a mad scramble each morning packing school lunches. Use freezer and canned-food shelf to streamline your work." Six pictures with captions tell the story.

Under a picture showing the homemaker filling a thermos jug, the caption says:

"Ready-to-serve canned foods make it easy to prepare that essential hot dish for your child's lunch. While the morning coffee and oatmeal are cooking, open a tin of soup, add water (or milk for extra nourishment), and heat until bubbling. Pour into a vacuum bottle, and it will stay hot until noon. Canned spaghetti, baked beans, chili con carne and macaroni with cheese sauce, all heat up in a jiffy, and can be carried in a vacuum bottle for a hearty, nutritious midday meal."

In the suggestions for sandwiches to freeze and keep on hand, canned fish as a spread was mentioned. For fruit in the lunch, canned fruits were suggested. It was suggested that larger cans be divided into individual-serving paper containers and frozen to be used, as needed, in the lunch box.

### Corrections in Text of CPR 56

Two errors have been found in the text of CPR 56, the fruit pricing order, as it was reproduced and distributed by N.C.A. as a Supplement to the INFORMATION LETTER of August 23.

The first error occurs in Section 6, appearing on page 4 of CPR 56 as reproduced by N.C.A. The seventh line from the top of the page should read "years 1948, 1949 and 1950 . . .". Inadvertently, the year 1948 was omitted. Canners should make this correction to N.C.A. reproductions of CPR 56.

What appears to be an administrative error was made by OPS. Section 6(iii), also on page 4 of the N.C.A. reproduction, refers to Section 2(c) (3) but it would seem that this is incorrect and that Section 2(d)(1) would be the correct reference. This change has not yet been made by OPS.

## INSPECTION

### PMA Inspection Service Covers Record Volume of Foods

Record volumes of fresh, canned, frozen, and dried fruits and vegetables were inspected for quality and condition during the year ended June 30, 1951, it is announced by the U. S. Department of Agriculture.

The service inspected over 150 million cases of canned fruits and vegetables and over a million cases of canned marine products, according to USDA.

Supervised by the Fruit and Vegetable Branch of the Production and Marketing Administration, the service was furnished for commercial trade, government purchases, including those for the National School Lunch Program, diversion and export programs, and to California and Florida to assist in determining compliance with state regulations.

As of June 30 of this year, USDA said, 134 fruit and vegetable processing plants owned by 104 companies were approved to pack under continuous federal inspection. Under this type of operation, the inspections of canned fruits and vegetables increased 10 percent and inspections of frozen fruits and vegetables increased 45 percent over the previous year.

Fees payable to the service from inspections of all processed fruits and

vegetables totaled \$1,739,000 and slightly exceeded the cost of inspection personnel.

The PMA service also inspected nearly a billion pounds of frozen foods, over a hundred million pounds of dried and dehydrated products, and 83 million pounds of other processed products.

Federal and federal-state inspection of fresh fruits and vegetables reached 1,334,678 carloads during the same period, an increase of 100,000 carloads over fiscal 1950. Nearly a billion pounds of fresh fruits and vegetables were inspected for the armed services. Inspection of raw products for processing, to determine conformance with U. S. standards, amounted to the equivalent of nearly 350,000 carloads.

### Defense Production Act

(Concluded from page 319)

the first sentence and the rephrasing of the basic prohibition against rollbacks to apply as against the "level of prices" established by any regulation and "the level prevailing" just prior to the issuance of the new regulation or during the period January 25, 1951, to February 24, 1951, eliminates any contention that the amendment reads against rollbacks with respect to each item packed by individual canners. The proposal also substitutes, as a standard for application of clause (1) of the second sentence, the "highest level of prices prevailing during a representative base period between January 1, 1950, and June 24, 1950" for "the highest price" between those dates.

Furthermore, under S. 2092, the President would not be required to allow as costs under clause (1) of the second sentence all direct and indirect costs (except such as he determined to be "unreasonable and excessive")—as the present law requires. Under the new proposal, such adjustments must be made only for increases in "direct factory labor" and "material" costs, plus "a reasonable allowance," as determined by the President, for increases in all other indirect costs "which he finds are properly allocable" to the production and sale of the materials.

Undoubtedly, the most significant change in existing law which would be accomplished by the new proposal involves the complete elimination of the individual's right to apply for the

so-called "Capehart adjustments." It is generally believed that under the present law every individual has a right to apply to OPS for an adjustment of his ceiling price to reflect his highest price during the January 1, 1950-June 24, 1950 period plus cost increases experienced since that date, without regard to the other provisions of the law. Under the new proposal, the President is required only to make provision for individual adjustment of ceiling prices under circumstances where the individual's ceiling prices have resulted "in financial hardship."

Following is the text of the Administration proposal, submitted by Mr. Wilson and introduced in the Senate by Chairman Maybank August 31 as S. 2092:

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 402 (d) (4) of the Defense Production Act of 1950, as amended, be, and the same is hereby, amended to read as follows:*

"(4) After the enactment of this paragraph no ceiling price regulation applicable to the sales of manufacturers or processors of any materials shall become effective which establishes a level of prices for such sales below the lower of (A) the level prevailing for such sales just before the date of issuance of the regulation, or (B) the level prevailing for such sales during the period January 25, 1951, to February 24, 1951, inclusive. Nothing in this paragraph shall prohibit the establishment or maintenance of a ceiling price regulation applicable to the sales of manufacturers or processors which (1) reflects the highest level of prices prevailing during a representative base period between January 1, 1950, and June 24, 1950, inclusive, adjusted for increases or decreases in costs between such period and July 26, 1951, or (2) is established under a regulation issued prior to the enactment of this paragraph. The adjustment for increases or decreases in costs prescribed in clause (1) of the preceding sentence of this paragraph shall include adjustment for changes in material and direct factory labor costs and a reasonable allowance, as determined by the President, for changes in all other costs including indirect labor, factory, selling, advertising, office, and all other production, distribution, transportation and administration costs, which he finds are properly allocable to the production and sale of the materials sold by the manufacturers and processors. The President shall make appropriate provision for adjustment for any such manufacturers or processors whose ceiling prices result in financial hardship to such manufacturers or processors."



## PROCUREMENT

### Canned Peaches for USDA

The U. S. Department of Agriculture on August 31 announced the purchase of 468,770 cases of canned clingstone peaches, all U. S. Choice or better grade, for use in the National School Lunch Program. Shipment of the peaches will be from now through September 28.

The canned peaches, all purchased in California, included 187,350 cases of 24 No. 2½ cans and 281,420 cases of 6 No. 10 cans. Price of the No. 2½'s ranged from \$2.60 to \$2.85 and averaged \$2.72 per dozen cans. Price of the No. 10 cans ranged from \$9.30 to \$9.90 and averaged \$9.62 per dozen cans.

## MEETINGS

### Georgia Canners Association

The annual meeting of the Georgia Canners Association will be held December 6-7 at the Hotel DeSoto, Savannah, it is announced by H. L. Cochran, president.

### Forthcoming Meetings

- September 20-21—National Kraut Packers Association, Fall Meeting, Hotel Racine, Racine, Wis.
- September 23-26—National Association of Food Chains, Annual Meeting, Washington, D. C.
- September 30-October 2—United States Wholesale Grocers Association, Fall Meeting, Hotel Statler, Washington, D. C.
- October 11-12—National Canners Association, Meeting of Board of Directors, Mark Hopkins Hotel, San Francisco, Calif., and Dedication of N.C.A. Western Branch Laboratory building, Berkeley, Calif.
- October 25-26—National Pickle Packers Association, Annual Meeting, Sheraton Hotel, Chicago
- October 26-27—Florida Canners Association, 30th Annual Convention, Palm Beach Biltmore Hotel, Palm Beach
- November 2—Illinois Canners Association, Annual Convention, Bismarck Hotel, Chicago
- November 5-6—Iowa-Nebraska Canners Association, 50th Annual Convention, Hotel Ft. Des Moines, Des Moines, Iowa
- November 9—Ozark Canners Association, Fall Meeting, Colonial Hotel, Springfield, Mo.
- November 12-13—Wisconsin Canners Association, 46th Annual Convention, Schroeder Hotel, Milwaukee
- November 12-14—Grocery Manufacturers of America, Annual Meeting, New York City
- November 15-16—Indiana Canners Association, Annual Convention, French Lick Springs Hotel, French Lick Springs
- November 19-20—Pennsylvania Canners Association, Annual Convention, Penn Harris Hotel, Harrisburg
- November 26-27—Michigan Canners Association, Fall Meeting, Panted Hotel, Grand Rapids

November 29-30—Tri-State Packers Association, 45th Annual Meeting, Benjamin Franklin Hotel, Philadelphia

December 5—Minnesota Canners Association, Annual Convention, Hotel St. Paul, St. Paul

December 6-7—Association of New York State Canners, Inc., 66th Annual Convention, Hotel Statler, Buffalo

December 6-7—Georgia Canners Association, Annual Meeting, Hotel DeSoto, Savannah

## STATISTICS

### Stocks of Canned Lima Beans

A report on canners' stocks and shipments of canned lima beans has been prepared by the N.C.A. Division of Statistics.

	1949-50	1950-51
	(actual cases)	
Carryover, Aug. 1	109,230	1,089,265
Pack	4,713,207	3,591,178
Total supply	4,816,437	4,680,438
Stocks, Aug. 1	1,089,265	707,447
Shipments, May to Aug. 1	698,476	665,222
Shipments, Aug. 1 to Aug. 1	3,747,172	3,952,991

### Canned Baby Food Stocks

Details of the canned baby food supply, stock and shipments situation are reported by the N.C.A. Division of Statistics as follows:

	1950	1951
	(thousands of dozens)	
Canner stocks, Jan. 1	55,341	62,453
Pack, Jan. through July	61,605	63,417
Supply	117,036	125,870
Canner stocks, Aug. 1	43,506	52,241
Canner shipments, July	10,779	11,128
Canner shipments, Jan. through July	73,470	73,629

### Canned Meat Report

The quantity of meat canned and meat products processed under federal inspection during the five-week period July 1-August 4 is reported by the Bureau of Animal Industry, USDA, as follows:

Canned Meat and Meat Products Processed Under Federal Inspection  
July 1-August 4, 1951 \*

	3 lbs. & over	Under 3 lbs.	Total
	(in thousand pounds)		
Luncheon meat	20,055	11,694	31,749
Canned ham	9,769	1,781	11,550
Corned beef hash	219	6,540	6,759
Chili con carne	567	5,557	6,124
Vienna sausage	62	3,916	3,978
Frankfurters and wieners in brine	218	1,217	1,435
Deviled ham	109	1,168	1,277
Other potted and deviled meat products	6	3,210	3,216
Tamale	1	1,392	1,393
Sliced, dried beef	17	340	357
Liver products		201	201
Meat stew	18	5,833	5,851
Spaghetti meat products	92	4,716	4,808
Tongue (except pickled)	88	254	342
Vinegar pickled products	1,013	1,949	2,962
Bulk sausage		2,997	2,997
Hamburger	458	5,400	5,948
Soups	532	28,196	28,728
Sausage in oil	289	240	529
Tripe		433	433
Brains	27	362	389
Bacon	36	830	866
All other products 20% or more meat	259	7,381	7,640
All other products less than 20% meat (except soup)	145	10,062	10,207
Total All products	33,980	105,778	139,758

\* Columns do not add to total shown in all cases since rounded figures are used.

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